Ministry of Agriculture & Farmers Welfare

Government Implementing Multiple Measures to Enhance Farmers' Income and Improve Access to Institutional Credit

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The average monthly income and the average amount of outstanding loan per agricultural household in rural areas of the country are periodically estimated through the "Situation Assessment Survey (SAS) of Agricultural Households", conducted by the National Statistics Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI).

As per the latest NSS 77th round of the Survey (January, 2019 – December, 2019) in the rural areas of the country, the average monthly income per agricultural household from various sources including cultivation during agricultural year July, 2018- June, 2019 is given at **Annexure I**, and the average amount of outstanding loan per agricultural household during the same period is given at **Annexure II.** Since the last survey was conducted in 2019, the extent of average monthly income and amount of outstanding loan per agricultural households for the last five years is not available.

Agriculture being a State Subject, the State Government take appropriate measures for development of agriculture and welfare of farmers in the States. However, Government of India is committed to enhance farmers welfare and making agriculture more remunerative. The Government of India supplements the efforts of States through appropriate policy measures, reforms, developmental programs, budgetary support, price support through MSP and various schemes/ programmes from time to time. To ensure farmers welfare and to increase their income across the country, several Central Sector and Centrally Sponsored Schemes are being implemented by Department of Agriculture & Farmers Welfare (DA&FW), as given in the **Annexure III**.

As reported by the Reserve Bank of India (RBI), the details of **"Agriculture and Allied Activities – Advances Outstanding"** of Scheduled Commercial Banks (SCBs) during the past five years are as under:

As on	Agriculture and Allied Activities - Advances Outstanding (₹ in crore)
31.03.2021	13,84,815
31.03.2022	14,50,214
31.03.2023	18,18,907
31.03.2024	21,69,983

31.03.2025	23,67,024

The Government has taken various steps to promote institutional credit among rural households which inter-alia include annual fixing of ground level agriculture credit target to banks, Priority Sector lending targets to banks, access to affordable credit through Kisan Credit Card (KCC)/ Modified Interest Subvention Scheme (MISS) etc.

Further, the Government has also implemented structured long-term measures to economically empower farmers. These initiatives include direct cash benefit schemes (PM Kisan), crop insurance (PMFBY), subsidy and grant-based programs (Krishonnati Yojna, RKVY) etc.

To improve credit access over the long term, the government is implementing a 100% centrally funded Central Sector Scheme known as the Modified lnterest Subvention Scheme (MISS) across various States and UTs in pan lndia. This scheme aims to provide concessional interest rates on short-term agricultural loans obtained by farmers through Kisan Credit Cards (KCC) for their working capital requirements. Due to KCC-MISS scheme access to easy and affordable credit has increased significantly to farmers to meet their operational needs.

Under this scheme, farmers receive KCC loans at a subsidized interest rate of 7%. To facilitate this, an up front interest subvention (IS) of 1.5% is provided to financial institutions. Additionally, farmers who repay their loans promptly receive a 3% Prompt Repayment Incentive (PRI), effectively reducing the interest rate to 4% per annum.

This information was given by Minister of State for Agriculture and Farmers Welfare, Shri Bhagirath Chaudhary in a written reply in Lok Sabha today.

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